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FM AMEMBASSY JAKARTA

TO RUEHC/SECSTATE WASHDC IMMEDIATE 0372

INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY

RUEHBJ/AMEMBASSY BEIJING 5513

RUEHBY/AMEMBASSY CANBERRA 3181

RUEHLM/AMEMBASSY COLOMBO 1384

RUEHKA/AMEMBASSY DHAKA 1357

RUEHUL/AMEMBASSY SEOUL 5030

RUEHKO/AMEMBASSY TOKYO 2627

RUEHPB/AMEMBASSY PORT MORESBY 4047

RUEHWL/AMEMBASSY WELLINGTON 3182

RUEHHK/AMCONSUL HONG KONG 3038

RUEHPT/AMCONSUL PERTH 1212

RHEHNSC/NSC WASHDC

RUEHLMC/MILLENNIUM CHALLENGE CORP 0089

RUEAWJB/DEPT OF JUSTICE WASHDC

RHEFDIA/DIA WASHINGTON DC

RUEAIIA/CIA WASHDC

UNCLAS SECTION 01 OF 02 JAKARTA 001944

SENSITIVE

SIPDIS

DEPT FOR EAP/MTS, EAP/MLS, EAP/PD, INL FOR BOULDIN

DEPT FOR EEB/IFD/OMA

DOJ/OPDAT FOR LEHMANN/ALEXANDRE

NSC FOR E. PHU

E.O. 12958: N/A

TAGS: [PGOV](#) [KCOR](#) [KJUS](#) [ID](#)

SUBJECT: SUPREME COURT REPORTEDLY OVERTURNS DEFAMATION

RULING AGAINST TIME MAGAZINE

REF: A. JAKARTA 377

[B.](#) JAKARTA 433

[C.](#) 07 JAKARTA 2969

[D.](#) 07 JAKARTA 2525

JAKARTA 00001944 001.2 OF 002

[11.](#) (SBU) This message is Sensitive but Unclassified--Please handle accordingly.

[12.](#) (SBU) SUMMARY: Mission has informally heard that the Indonesia's Supreme Court has overturned its previous decision awarding damages in a case against TIME Asia in the Suharto defamation case, but no official announcement has been made. In 2007, the Supreme Court awarded ex-dictator Suharto (now deceased) \$106 million in damages in a libel lawsuit filed against TIME for reporting that Suharto and his six children had accumulated \$18 billion of wealth during his tenure. TIME sought a judicial review after the Supreme Court previously sided with Suharto.

[13.](#) (SBU SUMMARY (Con'd)): The decision has not yet been made public. If confirmed, it would be positive for press freedom in Indonesia. If asked by the media, Mission recommends the Department reply that we have no word on a decision. END SUMMARY

[14.](#) (SBU) Two sources recently told Mission that they had heard informally that a ruling favoring TIME in the TIME/Suharto case has been made, but the Supreme Court has made no official announcement. One of these sources, Todung Mulya Lubis, head of the TIME defense team, told us that he had also heard indications that the court had reached a favorable decision, but had not yet been notified by the court. Contacts at the clerk's office at the Supreme Court, where rulings are recorded, told us October 21 that they had not received word of a decision. Assistant to the Chief Justice, Roki Panjaitan told us no verdict had been made in

the case.

15. (SBU) BACKGROUND: On September 10, 2007 the Indonesian Supreme Court ordered TIME Asia to pay former president Suharto 1 trillion IR (\$106 million) in damages for defamation of character, for reporting on the extent of Suharto's corrupt activities. That ruling overturned a previous decision by the lower courts in TIME's favor. The suit concerned a May 1999 article which described how the Suharto family had accumulated \$15 billion in ill-gotten gains during Suharto's 30-year rule. (ref C). TIME sought a judicial review of the ruling. END BACKGROUND

16. (SBU) The fact that the decision has not been made public is not unusual in Indonesia. Lubis said it was standard procedure for the Supreme Court to first send the decision to the district court, which then notifies the parties in the case. This process generally takes two to three weeks, but can take as long as two months. Lubis added that there is precedent for the Supreme Court to make its decisions public without waiting for the paperwork to flow through the district court. He said a favorable ruling would be "good news," but would wait for an official announcement. He fears the Supreme Court could delay the announcement pending "the right time" or because "the other side is closely watching the court." Lubis did not seek assistance from Mission to speed up the announcement process.

17. (SBU) The Supreme Court now publishes its rulings on its website as the result of a grant from USAID's Millennium Challenge Corporation Threshold program. Despite a recent press release announcing 5,000 cases had been uploaded, there remains a huge back-log of cases waiting to be published

JAKARTA 00001944 002.2 OF 002

online. Therefore, we should not expect to see this ruling published on its website any time soon.

18. (SBU) A favorable ruling by the Supreme Court would send a strong message for freedom of the press, good governance and democratic institutions in Indonesia. Additionally, it would increase investor confidence by decreasing perceptions of legal uncertainty for foreign investors. Mission is awaiting a formal announcement by the Supreme Court and recommends the Department, if asked, respond that we have no indication a formal decision has been reached in the TIME case.

HUME